



## Senate

General Assembly

**File No. 389**

January Session, 2009

Substitute Senate Bill No. 154

*Senate, April 1, 2009*

The Committee on Transportation reported through SEN. DEFRONZO of the 6th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

### **AN ACT CONCERNING THE ADMINISTRATION OF BRADLEY INTERNATIONAL AIRPORT.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (b) of section 15-101mm of the general statutes  
2 is repealed and the following is substituted in lieu thereof (*Effective*  
3 *from passage*):

4 (b) The Bradley Board of Directors shall consist of seven members,  
5 appointed as follows: The Commissioner of Transportation and the  
6 Commissioner of Economic and Community Development, each  
7 serving ex officio, a representative appointed by the speaker of the  
8 House of Representatives from the Connecticut Transportation  
9 Strategy Board, created by section 13b-57e, a representative appointed  
10 by the minority leader of the House of Representatives from among  
11 the members of the Bradley International Community Advisory Board,  
12 as created by section 15-101pp and three private sector members  
13 appointed as follows: [(A)] (1) The Governor shall appoint one  
14 member, who shall be the chairperson, and whose first term shall

15 expire on June 30, 2005, [(B)] (2) the president pro tempore of the  
16 Senate shall appoint one member whose first term shall expire on June  
17 30, 2005, [(C)] (3) the minority leader of the Senate shall appoint one  
18 member whose first term shall expire on June 30, 2005. The term of  
19 office of each successor shall be four years. The term of each appointed  
20 member of the Bradley Board of Directors shall expire on June 30, 2009,  
21 or when such member's successor is appointed and has qualified,  
22 whichever is later. On and after July 1, 2009, the Bradley Board of  
23 Directors shall consist of the Commissioner of Transportation and the  
24 Commissioner of Economic and Community Development, each  
25 serving ex officio, and seven members appointed with the advice and  
26 consent of the General Assembly, as follows: A representative  
27 appointed by the speaker of the House of Representatives from the  
28 Connecticut Transportation Strategy Board established by section 13b-  
29 57e; a representative appointed by the minority leader of the House of  
30 Representatives from among the members of the Bradley International  
31 Community Advisory Board established by section 15-101pp, and five  
32 private sector members appointed as follows: (A) The Governor shall  
33 appoint three members, one of whom shall be the chairperson, (B) the  
34 president pro tempore of the Senate shall appoint one member, and (C)  
35 the minority leader of the Senate shall appoint one member. The term  
36 of office of each appointed member shall be four years, or until such  
37 member's successor is appointed and has qualified, whichever is later.

38 Sec. 2. Section 15-101cc of the general statutes is repealed and the  
39 following is substituted in lieu thereof (*Effective October 1, 2009*):

40 (a) The rate of tax applicable to the assessed value of property the  
41 taxability of which has been determined in accordance with section 15-  
42 101bb, shall be levied on the basis of an adjusted mill rate, equal to the  
43 average mill rate assessed on property in the towns of Windsor,  
44 Windsor Locks, Suffield and East Granby. Each of these towns shall be  
45 entitled to collect the proceeds of the tax on a pro rata basis, based  
46 upon the proportion of land in Bradley International Airport located  
47 within each town's borders. The respective percentages allocable to  
48 each town are as follows:

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T1	Windsor Locks	40.72%
T2	Suffield	32.75%
T3	East Granby	26.02%
T4	Windsor	.51%

49 Each town shall be entitled to collect interest, at the rate of one and  
50 one-half per cent per month on any amount of tax that remains unpaid  
51 for more than thirty days from its due date. Each lessee of property  
52 subject to taxation under this chapter shall be liable directly to the  
53 towns for payment of the tax and the towns shall have all remedies  
54 available to them at law to collect such tax, provided no liens or  
55 attachments shall be placed on any such property and no action may  
56 be taken against the state of Connecticut with respect to any such  
57 property.

58 (b) The towns of Windsor Locks, Suffield, East Granby and Windsor  
59 are designated as the Bradley Airport Development Zone. Businesses  
60 located within said development zone shall be entitled to the same  
61 benefits, subject to the same conditions, under the general statutes for  
62 which businesses located in an enterprise zone qualify.

63 Sec. 3. Section 15-101nn of the general statutes is repealed and the  
64 following is substituted in lieu thereof (*Effective July 1, 2009*):

65 The Bradley Board of Directors shall have the duty and authority to:  
66 (1) [In consultation with the Commissioner of Transportation, develop]  
67 Develop an organizational and management structure that will best  
68 accomplish the goals of Bradley International Airport; (2) approve the  
69 annual capital and operating budget of Bradley International Airport;  
70 (3) act in cooperation with the Connecticut Transportation Strategy  
71 Board, created pursuant to section 13b-57e; (4) advocate for Bradley  
72 International Airport's interests and ensure that Bradley International  
73 Airport's potential as an economic development resource for the state  
74 and region are fully realized; (5) ensure that an appropriate mission  
75 statement and set of strategic goals for Bradley International Airport  
76 are established and that progress toward accomplishing the mission

77 and strategic goals is regularly assessed; (6) approve Bradley  
78 International Airport's master plan; (7) establish and review policies  
79 and plans for marketing the airport and for determining the best use of  
80 airport property; (8) ensure appropriate independent expertise is  
81 available to advise the Bradley Board of Directors, particularly in the  
82 areas of strategy and marketing and select consultants as necessary, for  
83 purposes related to strategy and marketing, pursuant to procedures  
84 established by the board; (9) employ managerial employees, as defined  
85 in section 5-270, and establish the salary of such employees, which  
86 shall be paid from the Bradley Enterprise Fund; (10) ensure customer  
87 service standards, performance targets and performance assessment  
88 systems are established for the airport enterprise; [(10)] (11) approve  
89 community relations policies and ensure that the community advisory  
90 board, created pursuant to section 15-101pp, operates effectively to  
91 ensure that community comment and information is regularly and  
92 fully considered in decisions related to Bradley International Airport;  
93 [(11)] (12) create a code of conduct for the Bradley Board of Directors  
94 consistent with part I of chapter 10; [(12)] (13) report to the Governor  
95 and the General Assembly on an annual basis; [(13)] (14) establish  
96 procedures to review and approve significant contracts, other than  
97 collective bargaining agreements, relating to the operation of Bradley  
98 International Airport prior to approval; [, which procedures shall  
99 require completion of each such review no later than ten business days  
100 after the board receives the contract; and (14)] (15) develop, jointly,  
101 with the State Contracting Standards Board, on or before June 30, 2010,  
102 a streamlined competitive bidding procedure for the selection of  
103 construction contractors, airport vendors and professional and other  
104 services. Such bidding procedure shall comply with all federal  
105 requirements for the receipt of federal funds for the airport; and (16)  
106 adopt rules for the conduct of its business which shall not be  
107 considered regulations, as defined in subdivision (13) of section 4-166.

108 Sec. 4. Section 15-101oo of the general statutes is repealed and the  
109 following is substituted in lieu thereof (*Effective July 1, 2009*):

110 [For administrative purposes only, the] The Bradley Board of

111 Directors shall [perform its functions] be within the Department of  
 112 Transportation, for administrative purposes only. The administrative  
 113 functions of the board of directors shall be performed by the  
 114 Department of Transportation and the costs thereof [, including the]  
 115 may be reimbursed by the Enterprise Fund. The cost of consultants  
 116 [recommended to advise] selected by the Bradley Board of Directors [,  
 117 may be reimbursed] shall be paid by the Enterprise Fund. [Consultants  
 118 recommended by the Bradley Board of Directors shall be engaged by  
 119 the Department of Transportation but shall report to the Bradley Board  
 120 of Directors.] The selection and engagement of consultants for the  
 121 Bradley Board of Directors shall be exempt from sections 13b-20b to  
 122 13b-20m, inclusive, and sections 4-212 to 4-219, inclusive.

123       Sec. 5. (*Effective from passage*) The Bradley Board of Directors of  
 124 Bradley International Airport shall study the functions and activities of  
 125 said board and airport that are subject to any provision of the general  
 126 statutes or of any public or special act, in order to determine if any  
 127 such provisions prevent or delay the ability of the board to discharge  
 128 its legal duties and responsibilities for the operation and development  
 129 of the airport. The board shall report, in accordance with the  
 130 provisions of section 11-4a of the general statutes, to the joint standing  
 131 committee of the General Assembly having cognizance of matters  
 132 relating to Bradley International Airport, not later than February 15,  
 133 2010, with respect to any such provision and shall (1) describe the  
 134 specific manner in which such provision results in prevention or delay,  
 135 and (2) make recommendations for amendment, repeal or exemption  
 136 from such provisions.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	15-101mm(b)
Sec. 2	<i>October 1, 2009</i>	15-101cc
Sec. 3	<i>July 1, 2009</i>	15-101nn
Sec. 4	<i>July 1, 2009</i>	15-101oo
Sec. 5	<i>from passage</i>	New section

**TRA**      *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

### **OFA Fiscal Note**

#### **State Impact:**

Agency Affected	Fund-Effect	FY 10 \$	FY 11 \$
Policy & Mgmt., Off.; Department of Revenue Services; Department of Economic & Community Development	GF - See Below	See Below	See Below
Department of Transportation	EF - See Below	See Below	See Below

Note: GF=General Fund; EF=Enterprise Fund

#### **Municipal Impact:**

Municipalities	Effect	FY 10 \$	FY 11 \$
East Granby; Windsor; Windsor Locks; Suffield	See Below	See Below	See Below

### **Explanation**

A section by section fiscal impact statement is presented below.

Section 1 updates and makes technical revisions to the Bradley Airport Board of Directors. There is no state or municipal impact resulting from any of the changes.

Section 2 designates the towns of East Granby, Windsor, Windsor Locks, and Suffield as the “Bradley Airport Development Zone.” This gives businesses within the zone the same benefits that businesses in enterprise zones receive. This could result in a cost to the state, as well as a revenue loss to the state and municipalities. The degree of impact is dependent upon the business activity that could occur as a result of the benefits. Current financial incentives include a corporation business tax credit, property tax abatement, and a real estate conveyance tax exemption.

Sections 3 and 4 do not result in any fiscal impact.

Section 5 of the bill requires the Bradley Board of Directors to study: (a) functions and activities and (b) ability to discharge its duties. The Board must report its findings to the General Assembly by February 15, 2010. This section of the bill is not anticipated to result in a fiscal impact.

***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

**OLR Bill Analysis****sSB 154*****AN ACT CONCERNING THE ADMINISTRATION OF BRADLEY INTERNATIONAL AIRPORT.*****SUMMARY:**

This bill:

1. reconstitutes and expands the Bradley International Airport Board of Directors by adding two additional members appointed by the governor;
2. expands the board's authority and its autonomy from the Department of Transportation (DOT);
3. requires the board to study the functions and activities of the board and the airport that are subject to any state law and determine if any such laws prevent or delay the board's ability to discharge its duties and responsibilities;
4. requires the board to report to the Transportation Committee by February 15, 2010 with respect to statutory impediments and any recommendations for changing or repealing them; and
5. designates the towns of Windsor Locks, Suffield, East Granby, and Windsor as the "Bradley Airport Development Zone" and gives businesses within the zone the same benefits, subject to the same conditions, that businesses in an enterprise zone receive.

EFFECTIVE DATE: Upon passage, for the reconstitution of the board and the study; July 1, 2009, for the changes in the board's authority and autonomy; and October 1, 2009, for establishment of the Bradley Airport Development Zone.

**BRADLEY INTERNATIONAL AIRPORT BOARD OF DIRECTORS**

The Bradley board currently consists of seven members as follows: the transportation and economic and community development commissioners serving ex officio; a representative of the Connecticut Transportation Strategy Board appointed by the House speaker; a representative from the Bradley International Community Advisory Board appointed by the House minority leader; and three private sector members appointed, one apiece, by the governor, the Senate president, and the Senate minority leader.

The bill expands the board, beginning July 1, 2009, to nine members by adding two additional private sector members appointed by the governor. It requires the terms of the current board members to expire on June 30, 2009 or when each member's successor is appointed and qualified, whichever is later. It also makes appointments to the board subject to the advice and consent of the legislature.

As is currently the case, the bill makes each new member's term four years, or until a successor is appointed and has qualified, whichever is later.

**EXPANDED BOARD POWERS AND AUTONOMY**

Currently, the Bradley board is empowered to develop, in consultation with the DOT commissioner, an organizational and management structure that will best accomplish the goals of the airport. The bill eliminates the requirement that the board consult with the commissioner to do this. The bill also:

1. authorizes the board to employ managerial employees, as defined by state law, for the airport and establish their salary, which must be paid from the Bradley Enterprise Fund;
2. empowers the board to approve, as well as just review, significant contracts, other than collective bargaining agreements, relating to airport operations;
3. allows the board to select consultants directly rather than only

recommend them to DOT for employment, and requires, rather than allows them to be paid from the Bradley Enterprise Fund; and

4. not later than June 30, 2010, requires the board to develop, jointly with the State Contracting Standards Board, a streamlined competitive bidding procedure for the selection of construction contractors, airport vendors, and professional and other services. These procedures must comply with all federal requirements for receipt of federal funds for the airport.

With respect to the new authority to both review and approve significant airport-related contracts, the bill eliminates the current requirement that such reviews be conducted within 10 business days from when the board receives the contract.

#### **STATE LAW IMPEDIMENT STUDY**

The bill requires the Bradley board to study its and the airport's functions and activities under state law and determine if any such laws prevent or delay the board's ability to discharge its duties and responsibilities with respect to operation and development of the airport. It must report to the Transportation Committee by February 15, 2010 with respect to any such law and must (1) describe specifically how it results in prevention or delay and (2) recommend if it should be amended or repealed, or if an exemption should be granted.

#### **BRADLEY AIRPORT DEVELOPMENT ZONE**

The bill designates Windsor Locks, Suffield, East Granby, and Windsor as the Bradley Airport Development Zone. It gives businesses located in the zone the same benefits, subject to the same conditions, that businesses in an enterprise zone receive under state law.

#### **BACKGROUND**

##### ***Enterprise Zone Benefits***

An enterprise zone under state law is a designated area in a Targeted Investment Community. Incentive benefits are provided for

eligible business relocation or expansion projects within the zone. Eligible businesses include manufacturers, warehouse distributors (new construction or expansion only), and certain designated service related businesses. Two of the primary benefits are:

1. a five-year, 80% abatement of local property taxes on all qualifying real and personal property that are new to the grand list of the municipality as a direct result of a business relocation, expansion, or renovation project and
2. a 10-year, 25% or 50% credit on that portion of the Connecticut Corporate Business Tax that is directly attributable to the business relocation, expansion or renovation project as determined by the Connecticut Department of Revenue Services and as provided under CGS § 12-217(e).

In order to qualify for the 50% credit, at least 30% of the new employees must be residents of the enterprise zone or residents of the municipality in which the plant is located and eligible under the Federal Job Training Partnership Act.

### **COMMITTEE ACTION**

Transportation Committee

Joint Favorable Substitute

Yea 34 Nay 2 (03/16/2009)